

**Introduced by Committee on Public Employment and
Retirement (Senators Soto (Chair), Escutia, and Karnette)**

February 20, 2004

An act to amend Sections 20063, 21157, 21251.15, 21408, 21409, 21410, 21424, 22013.7, 22821.2, 75077, 75079, 75091, and 75104.4 of, to amend and renumber Section 20035.5 of, to add Sections 75031.5, 75109.1, 75506.6, and 75611.5 to, and to repeal Sections 21417, 75034.1, and 75094 of, the Government Code, relating to the Public Employees' Retirement System, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 1603, as introduced, Committee on Public Employment and Retirement. Public Employees' Retirement System: retirement and medical benefits.

(1) The Public Employees' Retirement Law prescribes pension benefits for employees of school employers, as defined.

This bill would include charter schools within the definition of "school employer" for that purpose.

(2) The Public Employees' Retirement Law requires the governing body of a contracting agency to make a determination of industrial disability with respect to a local safety member within 6 months after it receives a request for that determination from the Board of Administration of the Public Employees' Retirement System.

This bill would provide that if the member is receiving paid leave under the workers' compensation law, the governing body shall make that determination within 14 days after the expiration of that paid leave.

(3) Existing law prescribes disability retirement benefits for state members of the Public Employees' Retirement System who are subject to second tier benefits.

This bill would provide that those benefits are applicable to a member who retires for nonindustrial disability. The bill would also provide that if the member is eligible to retire for service at the time of becoming disabled, he or she shall be paid the greater of the service retirement allowance or the disability retirement allowance.

(4) Existing law excludes state park rangers and local safety members employed as park rangers from federal social security.

This bill would additionally exclude county peace officers employed by a county parks and recreation department from federal social security.

(5) The Public Employees' Medical and Hospital Care Act provides continuing health benefits coverage to the surviving spouse of a firefighter or peace officer who dies as a result of an injury or disease sustained in the line of duty if the surviving spouse was married to the firefighter or peace officer at least one year prior to the date of death.

This bill would also make those benefits available to a surviving spouse if his or she was married to the firefighter or peace officer prior to the date he or she sustained the injury or disease resulting in death.

(6) Existing law authorizes judges who are members of the Judges' Retirement System and judges who are members of the Judges' Retirement System II to make contributions and receive service credit for specified types of service performed prior to their judicial service. Contributions under the Judges' Retirement System II are deposited in the Judges' Retirement System II Fund, a continuously appropriated fund.

This bill would authorize a judge in either of those systems to make contributions and receive service up to 4 years of credit for time, prior to January 1, 1950, during which the judge served in the United States Armed Forces or the Merchant Marine. By increasing contributions to a continuously appropriated fund, the bill would make an appropriation.

(7) The Judges' Retirement Law provides that payment of benefits to the surviving spouse of a deceased judge shall cease if the surviving spouse remarries.

This bill would delete that provision.



(8) Existing law authorizes the Judges' Retirement System and the Judges' Retirement System II to refund to a judge any contributions overpaid by the judge.

This bill would authorize those systems to dispense with a refund to a judge if the amount of the overpayment, or the remaining balance in his or her account, is \$50 or less. The bill would also authorize the system to dispense with collecting any underpayment of contributions from or recalculating or adjusting any benefits payable to a judge if the amount of the underpayment or adjustment does not exceed specified amounts.

(9) The bill would make technical changes to and delete obsolete provisions of the Public Employees' Retirement Law and the Judges' Retirement Law.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 20035.5 of the Government Code, as
2 added by Section 6 of Chapter 615 of the Statutes of 2003, is
3 amended and renumbered to read:

4 ~~20035.5.~~

5 20035.6. Notwithstanding Sections 20035 and 20037, "final
6 compensation," for the purpose of determining any pension or
7 benefit with respect to a member who retires or dies on or after July
8 1, 2003, who was a member of State Bargaining Unit 19, and
9 whose monthly salary range that was to be effective July 1, 2003,
10 was reduced by 5 percent pursuant to a memorandum of
11 understanding entered during the 2003–04 fiscal year, means the
12 highest annual compensation the member would have earned as of
13 July 1, 2003, if that 5 percent reduction had not occurred. This
14 section shall only apply if the period during which the member's
15 salary was reduced would have otherwise been included in
16 determining his or her final compensation. The increased costs, if
17 any, that may result from the application of the definition of "final
18 compensation" provided in this section shall be paid by the
19 employer in the same manner as other retirement benefits are
20 funded.

21 SEC. 2. Section 20063 of the Government Code is amended
22 to read:

1 20063. (a) “School employer” means a county
2 superintendent of schools, other than the Los Angeles County
3 Superintendent of Schools and the San Diego County
4 Superintendent of Schools, that has entered into a contract with the
5 board pursuant to Chapter 6 (commencing with Section 20610)
6 and any school district or community college district that was a
7 contracting agency on July 1, 1983, excluding that portion of a
8 contract with the Los Angeles City Unified School District and the
9 Los Angeles Community College District that pertains to local
10 police officers, as defined in Section 20430, on July 1, 1983, and
11 excluding a school district or a community college district, as
12 defined in subdivision (i) of Section 20057, that entered into a
13 contract with the board on or after January 1, 1990, and whose
14 employees are school safety members, as defined in Section
15 20444.

16 (b) “School employer” also means a charter school that has
17 entered into a contract with the board.

18 (c) Notwithstanding subdivision (a) or (b), “school employer”
19 may not include any county office of education, school district,
20 charter school, or community college district that participates in
21 a risk pool.

22 SEC. 3. Section 21157 of the Government Code is amended
23 to read:

24 21157. The governing body of a contracting agency shall
25 make its determination within six months ~~of~~ after the date of the
26 receipt by the contracting agency of the request by the board
27 pursuant to Section 21154 for a determination with respect to a
28 local safety member, *unless the member is receiving paid leave*
29 *pursuant to Section 4850 of the Labor Code, in which case the*
30 *governing body shall make its determination within 14 days after*
31 *the expiration of the paid leave.*

32 A local safety member may waive the requirements of this
33 section.

34 SEC. 4. Section 21251.15 of the Government Code is
35 amended to read:

36 21251.15. (a) Notwithstanding any other provision of this
37 part, when a member’s account has been divided pursuant to
38 Section 21290, and the nonmember has not effected a refund of
39 accumulated contributions pursuant to Section 21292 prior to the
40 member’s effective date of retirement, and the nonmember has

sufficient credited service to retire for service, the retirement allowance payable to a member who retires on or after January 1, 2004, shall be equal to the difference between (1) the allowance that would have been payable to the member had the division of the account not occurred and (2) the allowance payable to the nonmember on either (A) the effective date of the nonmember's retirement, or (B) if the nonmember has not retired on or before the member's effective date of retirement, the date the nonmember would have attained the age of 50 years, for service subject to Section 21362.2, and the date the nonmember would have attained the age of 55 years, or the ~~member's~~ *nonmember's* actual age if older than the age of 55 years on the effective date of the member's retirement, for all other service.

(b) If the nonmember retires prior to the effective date of the member's retirement, an actuarial adjustment shall also be made to the member's allowance to account for the benefits received by the nonmember spouse prior to the member's effective date of retirement.

(c) In no event may the member's retirement allowance payable under this section be less than the allowance that would otherwise be payable under this part.

SEC. 5. Section 21408 of the Government Code is amended to read:

21408. Upon the industrial disability retirement of a state miscellaneous member subject to Section 21151 ~~who is not subject to Section 21417~~, the disability allowance shall be 50 percent of his or her final compensation plus an annuity purchased with his or her accumulated additional contributions, if any, or, if qualified for service retirement, he or she shall receive his or her service retirement allowance, if the allowance, after deducting the annuity, is greater.

SEC. 6. Section 21409 of the Government Code is amended to read:

21409. Upon the industrial disability retirement of a state miscellaneous member within Section 21151, or a state industrial member, ~~who is not subject to Section 21417~~, whose service is subject to Section 21076, the disability allowance shall be 50 percent of his or her final compensation plus an annuity purchased with his or her accumulated additional contribution, if any, or if qualified for service retirement, he or she shall receive his or her

1 service retirement allowance, if the allowance, after deducting the
2 annuity, is greater.

3 SEC. 7. Section 21410 of the Government Code is amended
4 to read:

5 21410. Notwithstanding Sections 21406, 21407, 21408,
6 21409, and 21411, any state member who becomes subject to
7 Section 21159 on or after January 1, 1993, and retires for industrial
8 disability because of incapacity for the performance of duties in
9 any employment with the state employer, as determined by the
10 Department of Personnel Administration, shall receive a disability
11 retirement allowance of 60 percent of the member's final
12 compensation plus an annuity purchased with the member's
13 accumulated additional contributions, if any, or, if qualified for
14 service retirement, the member shall receive the service retirement
15 allowance if the allowance, after deducting the annuity, is greater.

16 Benefits payable under this section ~~shall be subject to Section~~
17 ~~21417~~ and are payable solely to state members employed in state
18 bargaining units subject to Section 21159.

19 SEC. 8. Section 21417 of the Government Code is repealed.

20 ~~21417. Notwithstanding any other provision of this part, the~~
21 ~~industrial disability retirement allowance of a member whose~~
22 ~~membership commenced after January 1, 1980, in the category of~~
23 ~~membership in which the member was serving at the time of~~
24 ~~suffering the disability or incurring the disease causing retirement~~
25 ~~for industrial disability, shall not exceed the service retirement~~
26 ~~allowance that would be payable as a result of service in that~~
27 ~~category of membership if the member's service had continued to~~
28 ~~age 55, if a patrol, state peace officer/firefighter, state safety, or~~
29 ~~local safety member, age 65, if service is subject to Section 21076,~~
30 ~~or age 63, if any other category of member.~~

31 ~~This section shall not be applicable to a member who is subject~~
32 ~~to Section 21430, or a member whose disability results from an~~
33 ~~injury that is a direct consequence of a violent act perpetrated upon~~
34 ~~his or her person or occurs during the performance of those~~
35 ~~portions of his or her duties that are particularly hazardous and~~
36 ~~dangerous.~~

37 SEC. 9. Section 21424 of the Government Code is amended
38 to read:



21424. The *nonindustrial* disability retirement pension for state miscellaneous or state industrial service subject to Section 21076 shall be one of the following:

(a) Ninety percent of the factor applicable at *the age of 65 years* as set forth in Section 21076—~~times multiplied by~~ final compensation, multiplied by the number of years of service credited to him or her.

(b) If the *nonindustrial* disability retirement allowance computed under subdivision (a) does not exceed one-third of his or her final compensation, 90 percent of the benefit that would be payable to the member had the member continued in employment until *the age of 65 years*, but in that case the retirement allowance ~~shall may~~ not exceed one-third of the final compensation. This subdivision is not applicable to members who ~~are have not entitled been credited~~, at the time of retirement, ~~to be credited~~ with at least 10 years of state service.

(c) If the *nonindustrial* disability retirement allowance is derived from this section and Section 21423, and would otherwise exceed the maximums provided by these sections, the pension payable with respect to each section shall be reduced in the same proportion as the allowance bears to the total allowance computed as ~~though if there was~~ were no limit, so that the total of the pensions shall equal the maximum allowed.

(d) *If qualified for service retirement, the member shall receive his or her service retirement allowance if that allowance is greater than the nonindustrial disability retirement allowance provided by this section.*

SEC. 10. Section 22013.7 of the Government Code is amended to read:

22013.7. “Policeman” or “fireman,” as used in this part, also includes persons employed in positions set forth in Sections 20414 ~~and~~, 20423.5, *and 20441* for the purposes of Section 218(d)(5)(A) of the Social Security Act (42 U.S.C. Sec. 418(d)(5)(A)).

SEC. 11. Section 22821.2 of the Government Code is amended to read:

22821.2. (a) Upon the death, on or after January 1, 2002, of (1) a firefighter employed by a county, city, city and county, district, or other political subdivision of the state, (2) a firefighter employed by the Department of Forestry and Fire Protection, or (3) a peace officer as defined in Section 830.1, 830.2, 830.3,

1 830.31, 830.32, 830.33, 830.34, 830.35, 830.36, 830.37, 830.38,
2 830.39, 830.4, 830.5, 830.55, or 830.6 of the Penal Code, if the
3 death occurred as a result of injury or disease arising out of and in
4 the course of his or her official duties, the surviving spouse and
5 other eligible family members of the deceased firefighter or peace
6 officer, if uninsured, shall be deemed to be annuitants under
7 subdivision (e) of Section 22754 for purposes of enrollment
8 pursuant to Section 22810. All eligible family members of the
9 deceased firefighter or peace officer who are uninsured may enroll
10 in an approved health benefits plan of the surviving spouse's
11 choice; however, an unmarried child of the surviving spouse shall
12 not be eligible to enroll in a health benefits plan under this section
13 if the child was not a family member under subdivision (f) of
14 Section 22754 and regulations pertinent thereto on the firefighter's
15 or peace officer's date of death. The employer of the deceased
16 firefighter or peace officer shall notify the board within 10 days of
17 the death of the employee whose spouse or family member may be
18 eligible for enrollment in a health benefits plan under this section.
19 Upon notification, the board shall promptly determine eligibility,
20 and shall forward to the eligible spouse or family member the
21 materials necessary for enrollment.

22 (b) (1) Notwithstanding any other provision of law, but except
23 as otherwise provided in subdivision (c), the state shall pay a
24 contribution equal to 100 percent of the amount established in
25 paragraph (2) for health benefits coverage under this part for (A)
26 the uninsured surviving spouse of a deceased firefighter or peace
27 officer for life, and (B) the other uninsured eligible family
28 members of a deceased firefighter or peace officer so long as the
29 family member meets the eligibility requirements of subdivision
30 (f) of Section 22754 and regulations pertinent thereto.

31 (2) The contribution payable by the state for each uninsured
32 surviving spouse and other uninsured eligible family members
33 shall be calculated and adjusted annually pursuant to this
34 paragraph. Annual adjustments of the dollar amounts shall be
35 based upon the principle that the state's contribution for each
36 uninsured surviving spouse shall be an amount equal to 100
37 percent of the weighted average of the health benefits plan
38 premiums for employees or annuitants enrolled for self alone plus
39 90 percent of the weighted average of the additional premiums
40 required for enrollment of family members in the four health

benefits plans that have the largest number of basic enrollments during the fiscal year to which the formula applied.

(3) The state's contribution under this section shall commence on the effective date of enrollment of the uninsured surviving spouse or other uninsured eligible family members. The contribution of each surviving spouse and eligible family member shall be the total cost per month of the benefit coverage afforded him or her under the plan or plans less the portion contributed by the state pursuant to this section.

(c) The cancellation of coverage by an annuitant, as defined in this section, shall be final without option to reenroll, unless coverage is canceled because of enrollment in an insurance plan from another source.

(d) In the event of a dispute regarding whether a firefighter's or peace officer's death occurred as a result of injury or disease arising out of and in the course of his or her official duties as required under subdivision (a), that dispute shall be determined by the Workers' Compensation Appeals Board, subject to the same procedures and standards applicable to hearings relating to claims for workers' compensation benefits. The jurisdiction of the Workers' Compensation Appeals Board under this section shall be limited to the sole issue of industrial causation and this section shall not be construed to authorize the Workers' Compensation Appeals Board to award costs against the system.

(e) For purposes of this section, "surviving spouse" means a husband or wife who was married to the deceased firefighter or peace officer on the deceased's date of death and *either* for a continuous period of at least one year prior to the date of death *or prior to the date the deceased firefighter or peace officer sustained the injury or disease resulting in death.*

(f) For purposes of this section, "uninsured" means that the surviving spouse is not enrolled in an employer-sponsored health plan under which the employer contribution covers 100 percent of the cost of health care premiums.

(g) The board shall have no duty to identify, locate, or notify any surviving spouse or eligible family member who may be or may become eligible for benefits under this part due to the enactment of this section.

SEC. 12. Section 75031.5 is added to the Government Code, to read:

1 75031.5. (a) A judge may elect, in writing filed with the
2 Judges' Retirement System, to make contributions and receive
3 service credit in this system for active service, performed prior to
4 entering the system, of not less than one year in the Armed Forces
5 of the United States or not less than one year in the Merchant
6 Marine of the United States prior to January 1, 1950, excluding any
7 period of that active service for which the judge is receiving, or is
8 entitled to receive, a retirement allowance from any other
9 retirement system supported wholly or in part by public funds. The
10 service credit for that service may be granted on the basis of one
11 year of credit for each year of credited service in this system, but
12 may not exceed a total of four years of service credit regardless of
13 the number of years of either that service or subsequent judicial
14 service. A judge electing to receive credit for that service shall
15 have at least one year of judicial service credited on the date of
16 election or the date of retirement. If the service described in this
17 subdivision terminated with a dishonorable discharge, service
18 credit in the system may not be granted under this section.

19 (b) For purposes of this section, a judge means a judge as
20 defined in Section 75002 or a judge who has retired pursuant to
21 Section 75025 or has elected a deferred retirement subject to
22 Section 75033.5.

23 (c) The retirement allowance of a retired judge who elects to
24 receive service credit pursuant to this section shall be increased
25 only with respect to the allowance payable on and after the date of
26 election.

27 (d) A judge who elects to receive credit for service pursuant to
28 this section shall contribute to the Judges' Retirement Fund a sum
29 equal to the actuarial present value of the increase in benefits due
30 to the additional service, as determined by the chief actuary and
31 approved by the board.

32 (e) An election by a judge to receive credit for service under
33 this section shall be effective only if accompanied by a lump-sum
34 payment or an authorization for payment, other than a lump-sum
35 payment, in accordance with regulations adopted by the board.

36 SEC. 13. Section 75034.1 of the Government Code is
37 repealed.

38 ~~75034.1. The surviving spouse of a judge who qualifies, as~~
39 ~~prescribed in Section 75034, to receive the benefits accorded by~~
40 ~~that section and who dies during retirement shall receive, until~~

1 ~~death or remarriage, an allowance equal to 37¹/₂ percent of the~~
2 ~~retirement allowance that would be payable to the judge were he~~
3 ~~living and receiving the benefits accorded by Section 75034.~~

4 SEC. 14. Section 75077 of the Government Code is amended
5 to read:

6 75077. The surviving spouse of a judge who qualifies, as
7 prescribed in Section 75075, to receive the benefits accorded by
8 this article and who dies during retirement shall receive, until
9 ~~death or remarriage~~, an allowance equal to one-half of the
10 retirement allowance that would be payable to the judge ~~were if~~ he
11 or she ~~were~~ living and receiving the benefits accorded by this
12 article.

13 SEC. 15. Section 75079 of the Government Code is amended
14 to read:

15 75079. (a) When a judge elects and becomes entitled to
16 receive the benefits accorded by this article, he or she does not
17 have the right to select an optional settlement under the provisions
18 of Article 3.5 (commencing with Section 75070) of this chapter.

19 (b) When a judge becomes entitled on and after January 1,
20 1987, to receive the benefits accorded by this article, the judge may
21 ~~make an election to the contrary to select~~ *instead elect* an
22 actuarially reduced retirement allowance payable for life and if the
23 judge dies before he or she receives the amount of his or her
24 accumulated contributions at retirement, the remaining unpaid
25 amount of his or her accumulated contributions shall be paid to his
26 or her designated beneficiary, if he or she has so designated, and
27 if none, to his or her estate.

28 The election shall be made in writing and filed with the Judges'
29 Retirement System prior to the making of the first payment on
30 account of any retirement allowance.

31 (c) The surviving spouse of a judge who qualifies, as prescribed
32 in Section 75075, to receive the benefits accorded by Section
33 75076 but who elected to receive the actuarially reduced
34 retirement allowance as provided in ~~this section~~ *subdivision (b)*
35 and who dies during retirement shall receive, until death ~~or~~
36 ~~remarriage~~, an allowance equal to one-half of the retirement
37 allowance that would have been payable to the judge ~~were if~~ he or
38 she ~~were~~ living and had elected to receive the benefits accorded by
39 Section 75076.

1 SEC. 16. Section 75091 of the Government Code is amended
2 to read:

3 75091. (a) If a judge who is credited with at least 10 years of
4 service but less than 20 years of service under this chapter dies
5 prior to retiring under this chapter, and while serving as a judge,
6 his surviving spouse shall receive a monthly allowance, payable
7 from the Judges' Retirement Fund, equal to 1.625 percent of the
8 monthly salary payable, at the time payment of the allowance falls
9 due, to the judge holding the judicial office to which the deceased
10 judge was last elected or appointed multiplied by the number of
11 years of service of the deceased judge.

12 (b) If a judge who is credited with 20 years or more of service
13 under this chapter dies prior to retiring under this chapter, and
14 while serving as a judge, his surviving spouse shall receive a
15 monthly allowance, payable from the Judges' Retirement Fund,
16 equal to 37¹/₂ percent of the monthly salary payable, at the time
17 the payment of the allowance falls due, to the judge holding the
18 judicial office to which the deceased judge was last elected or
19 appointed.

20 (c) For the purposes of this section any fraction of a year equals
21 one year. The allowance is payable commencing upon the death of
22 the judge and continuing until the death ~~or remarriage~~ of the
23 surviving spouse.

24 (d) If the surviving spouse is eligible for an allowance under
25 Section 75104.4, the allowance provided for by Section 75104.4
26 shall be paid and no allowance shall be made under this article. If
27 an allowance is paid under this section, no payment shall be made
28 pursuant to Section 75104 or Section 75104.5.

29 SEC. 17. Section 75094 of the Government Code is repealed.

30 ~~75094. (a) Notwithstanding any other provision of this~~
31 ~~article to the contrary, the surviving spouse of a judge who (1) died~~
32 ~~in office, (2) had attained the minimum age for service retirement~~
33 ~~applicable to the judge preceding his or her death, with a minimum~~
34 ~~of 20 years of service, and (3) was eligible to receive an allowance~~
35 ~~pursuant to Section 75025 or 75033.5, shall receive an allowance~~
36 ~~that is equal to the amount that the judge would have received if~~
37 ~~the judge had been retired from service on the date of death and had~~
38 ~~elected optional settlement 2 specified in subdivision (b) of~~
39 ~~Section 75071.~~

~~(b) A surviving spouse receiving an allowance pursuant to this section shall have no other claim to benefits with respect to the Judges' Retirement Fund or with respect to any other provision of the Judges' Retirement Law.~~

~~(c) The benefits provided by this section are only payable to the surviving spouse of a judge who elects to come within this section. Notwithstanding Section 75090, that election may be made at any time while the judge is in office and, once made, the election is irrevocable.~~

~~(d) This section does not prevent a surviving spouse from claiming or receiving any payments to which he or she may be entitled as a beneficiary under the Extended Service Incentive Program set forth in Article 4.5 (commencing with Section 75085).~~

SEC. 18. Section 75104.4 of the Government Code is amended to read:

75104.4. (a) The surviving spouse of any judge who dies on or after January 1, 1954, but before retirement and after becoming eligible for retirement pursuant to Section 75025 or 75033 or who dies on or after January 1, 1954, while serving as judge and has served as a judge for 30 years, shall receive an allowance equal to one-half of the amount of the unmodified retirement allowance that would be payable to the judge were he or she living and retired under this chapter. The allowance is payable commencing upon the day following the date of the death of the judge and continuing until the death or remarriage of the surviving spouse. If, pursuant to this section, an allowance is paid to the surviving spouse of a judge, no payment shall be made pursuant to Section 75104 or 75104.5.

(b) The Legislature hereby finds and declares that the payment of allowances to the surviving spouse of a judge pursuant to this section, as amended at the 1959 Regular Session of the Legislature, serves a public purpose in that it promotes the public welfare by encouraging experienced jurists to continue their service in the expectation that the Legislature will fairly provide for their surviving spouses under changing circumstances, as the Legislature is now doing for spouses of judges who have heretofore died. Continued service by, and increased efficiency of, judges secure in this knowledge will more than compensate the state for any increased expense for allowances to surviving

1 spouses provided by the amendment enacted at the 1959 session
2 of the Legislature.

3 SEC. 19. Section 75109.1 is added to the Government Code,
4 to read:

5 75109.1. (a) When there has been a payment of death
6 benefits, a return of accumulated contributions, a contribution
7 adjustment, or a deposit of contributions, this system may refrain
8 from collecting an underpayment of accumulated contributions if
9 the amount to be collected is two hundred fifty dollars (\$250) or
10 less.

11 (b) Notwithstanding Section 75109, when there has been a
12 payment of death benefits, a return of accumulated contributions,
13 a contribution adjustment, or a deposit of contributions, and there
14 is a balance of fifty dollars (\$50) or less remaining posted to a
15 member's individual account, or an overpayment of fifty dollars
16 (\$50) or less was received, this system may dispense with a return
17 of accumulated contributions.

18 (c) When there is a positive or negative balance of two hundred
19 fifty dollars (\$250) or less remaining posted to a member's
20 individual account, or the balance exceeds two hundred fifty
21 dollars (\$250) but the difference to the monthly allowance
22 unmodified by any optional settlement is less than five dollars
23 (\$5), this system may dispense with any recalculation of, or other
24 adjustment to, benefit payments.

25 (d) The dollar amounts specified in subdivisions (a) and (c)
26 shall be adjusted in accordance with any changes in the dollar
27 amounts specified in Section 13943.2.

28 SEC. 20. Section 75506.6 is added to the Government Code,
29 to read:

30 75506.6. (a) A judge may elect, in writing filed with the
31 Judges' Retirement System II, to make contributions and receive
32 service credit in this system for active service, performed prior to
33 entering this system, of not less than one year in the Armed Forces
34 of the United States or not less than one year in the Merchant
35 Marine of the United States prior to January 1, 1950, excluding any
36 period of that active service for which the judge is receiving, or is
37 entitled to receive, a retirement allowance from any other
38 retirement system supported wholly or in part by public funds. The
39 service credit for that service shall be granted on the basis of one
40 year of credit for each year of credited service in this system, but



may not exceed a total of four years of service credit regardless of the number of years of either that service or subsequent judicial service. A judge electing to receive credit for that service shall have at least one year of judicial service credited on the date of the election or the date of retirement. If the service described in this subdivision terminated with a dishonorable discharge, service credit in the system may not be granted under this section.

(b) For purposes of this section, a judge means a judge as defined under Section 75502 or a judge who has retired under Section 75521 or 75522.

(c) The retirement allowance of a retired judge who elects to receive service credit pursuant to this section shall be increased only with respect to the allowance payable on and after the date of election.

(d) A judge who elects to receive credit for service pursuant to this section shall contribute to the Judges' Retirement Fund II a sum equal to the actuarial present value of the increase in benefits due to the additional service, as determined by the chief actuary and approved by the board.

(e) An election by a judge to receive credit for service under this section shall be effective only if accompanied by a lump-sum payment or an authorization for payment, other than a lump-sum payment, in accordance with regulations adopted by the board.

SEC. 21. Section 75611.5 is added to the Government Code, to read:

75611.5. (a) When there has been a payment of death benefits, a return of accumulated contributions, a contribution adjustment, or a deposit of contributions, this system may refrain from collecting an underpayment of accumulated contributions if the amount to be collected is two hundred fifty dollars (\$250) or less.

(b) Notwithstanding Section 75611, when there has been a payment of death benefits, a return of accumulated contributions, a contribution adjustment, or a deposit of contributions, and there is a balance of fifty dollars (\$50) or less remaining posted to a member's individual account, or an overpayment of fifty dollars (\$50) or less was received, this system may dispense with a return of accumulated contributions.

(c) When there is a positive or negative balance of two hundred fifty dollars (\$250) or less remaining posted to a member's

1 individual account, or the balance exceeds two hundred fifty
2 dollars (\$250) but the difference to the monthly allowance
3 unmodified by any optional settlement is less than five dollars
4 (\$5), this system may dispense with any recalculation of, or other
5 adjustment to, benefit payments.

6 (d) The dollar amounts specified in subdivisions (a) and (c)
7 shall be adjusted in accordance with any changes in the dollar
8 amounts specified in Section 13943.2.

